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MEMORANDUM

TO: Superintendents, Principals, Business Managers, CFP Coordinators
FROM: Armando Vilaseca, Secretary of Education *AV*
SUBJECT: Federal Budget Information
DATE: April 5, 2013

The Vermont Agency of Education is paying close attention to the unfortunate funding situation that presently exists within the federal government. We understand that many of you are looking for guidance as you develop future budgets and prepare for your educational needs in the coming year(s). We will continue to update you as we receive reliable information.

This is the situation as it now exists:

- 1) Sequestration (The Budget Control Act) has been enacted and there is no potential compromise in sight. Funding cuts are virtually across the board for all domestic programs including all education programs with the exception of Pell grants.
- 2) The Budget Control Act, if left unchanged, will impact education funding detrimentally for the next ten years.
- 3) The precise amount of the cuts to education programs in Vermont remains unclear. Due to small state minimums, hold harmless provisions and other factors, the exact impact to LEAs is not immediately known. We are encouraging school administrators to prepare for cuts to federal programs, starting in July 2013 from 5 to 10 percent. The actual cuts will likely vary due to formula criteria, but we are suggesting these targets for planning purposes.
- 4) Vermont's congressional delegation is working diligently to bring this standstill to an end. A few initiatives that would serve Vermont students well that they are hard at

work on are: other bills including ESEA reauthorization, workforce investment, safe schools, rural definitions and investments in broadband infrastructure.

- 5) We have been asked to provide evidence of potential impact of the sequestration cuts to Secretary of Education Arne Duncan and to the Council of Chief State School Officers. We would like to comply with this request with a strong response. Please provide any and all related information to Andy Snyder at andy.snyder@state.vt.us.

We recognize the burden that these circumstances place on maintaining and advancing educational opportunities for Vermont students. We, with your help, will do everything possible to work through this period. Thank you for your understanding and your continued hard work.

